

General Assembly

Substitute Bill No. 7368

January Session, 2007

*_____HB07368CE____032007_____^

AN ACT CONCERNING BROWNFIELDS REMEDIATION AND DEVELOPMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (e) of section 22a-134a of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective July
- 3 1, 2007):
- (e) (1) No later than thirty days after receipt of a Form III or Form 4 5 IV, the commissioner shall notify the certifying party whether the form is complete or incomplete. Within forty-five days of receipt of a 6 7 complete Form III or IV, the commissioner shall notify the certifying 8 party in writing whether review and approval of the remediation by 9 the commissioner will be required, or whether a licensed 10 environmental professional may verify that the investigation has been 11 performed in accordance with prevailing standards and guidelines and 12 that the remediation has been performed in accordance with the 13 remediation standards. Any person who submitted a Form III to the 14 commissioner prior to October 1, 1995, may submit an environmental 15 condition assessment form to the commissioner. The commissioner 16 shall, within forty-five days of receipt of such form, notify the 17 certifying party whether approval of the remediation by the 18 commissioner will be required or whether a licensed environmental 19 professional may verify that the remediation has been performed in

20 accordance with the remediation standards.

- (2) (A) When a licensed environmental professional verifies that the remediation has been performed in accordance with the remediation standards, such verifications shall be deemed approved by the commissioner unless, within twelve months of such verification, the commissioner determines, in the commissioner's sole discretion, that an audit of such verification or remedial action is necessary to assess whether remedial action beyond that indicated in such verification is necessary for the protection of human health or the environment. Such an audit shall be completed within twenty-four months of the submittal of the verification. At the completion of the audit, the commissioner shall approve the verification, disapprove the verification or request additional information from the party submitting the verification.
- (B) If the commissioner requests additional information pursuant to subparagraph (A) of this subdivision and such information has not been provided to the commissioner within ninety days of the deadline for completing the audit, the commissioner shall extend the period for completing the audit by up to one hundred eighty days. The commissioner shall make any such requests for information in writing. Upon evaluating the additional information, the commissioner shall approve or disapprove the verification.
- (C) If the commissioner disapproves the verification pursuant to either subparagraph (A) or (B) of this subdivision, the commissioner shall give reasons for such disapproval, in writing, and such certifying party may appeal such disapproval to the Superior Court pursuant to section 4-183. Before approving a final verification, the commissioner may enter into a memorandum of understanding with the certifying party with regard to any further remedial action or monitoring activities on or at such property that the commissioner deems necessary for the protection of human health or the environment.
- 51 (D) The deadlines for the conduct of an audit pursuant to this

- 52 subdivision shall not apply to (i) properties for which the department
- 53 <u>finds that the submitted verification was obtained through the</u>
- 54 <u>submittal</u> of <u>fraudulent</u> <u>information</u> or <u>that</u> <u>intentional</u>
- 55 misrepresentations were made to the department in connection with
- 56 the submittal of the verification, or (ii) those sites that are currently
- 57 <u>subject to an order of the department.</u>
- Sec. 2. Subsection (g) of section 22a-133v of the general statutes is
- 59 repealed and the following is substituted in lieu thereof (Effective July
- 60 1, 2007):
- 61 (g) The board may conduct investigations concerning the conduct of 62 any licensed environmental professional. The commissioner may
- any licensed environmental professional. The commissioner may
- 63 conduct audits of any actions authorized by law to be performed by a
- licensed environmental professional. The board shall authorize the commissioner to (1) revoke [or suspend] the license of any
- 66 environmental professional; [or to] (2) suspend the license of any
- 67 environmental professional; (3) impose any other sanctions less severe
- than revocation or suspension that the board deems appropriate; or (4)
- 69 deny an application for such licensure if the board, after providing
- 70 such professional with notice and an opportunity to be heard
- 71 concerning such revocation, suspension, other sanction or denial, finds
- that such professional has submitted false or misleading information to
- 73 the board or has engaged in professional misconduct including,
- 74 without limitation, knowingly or recklessly making a false verification
- of a remediation under section 22a-134a, or violating any provision of
- 76 this section or regulations adopted hereunder. <u>The board shall make</u>
- 77 available to the public a list of any sanctions, license suspensions or
- 78 <u>license revocations. Any sanction imposed under this subsection shall</u>
- 79 not include the imposition of any civil fine or civil penalty.
- 80 Sec. 3. Subsection (d) of section 25-68d of the general statutes is
- 81 repealed and the following is substituted in lieu thereof (Effective July
- 82 1, 2007):
- 83 (d) Any state agency proposing an activity or critical activity within

or affecting the floodplain may apply to the commissioner for exemption from the provisions of subsection (b) of this section. Such application shall include a statement of the reasons why such agency is unable to comply with said subsection and any other information the commissioner deems necessary. The commissioner, [at least thirty days before approving, approving with conditions or denying any such application, shall publish once in a newspaper having a substantial circulation in the affected area notice of: (1) The name of the applicant; (2) the location and nature of the requested exemption; (3) the tentative decision on the application; and (4) additional information the commissioner deems necessary to support the decision to approve, approve with conditions or deny the application. There shall be a comment period following the public notice during which period interested persons and municipalities may submit written comments. After the comment period, the commissioner shall make a final determination to either approve the application, approve the application with conditions or deny the application. The commissioner may hold a public hearing prior to approving, approving with conditions or denying any application if in the discretion of the commissioner the public interest will be best served thereby, and the commissioner shall hold a public hearing upon receipt of a petition signed by at least twenty-five persons. Notice of such hearing shall be published at least thirty days before the hearing in a newspaper having a substantial circulation in the area affected. The commissioner may approve or approve with conditions such exemption if the commissioner determines that (A)] after public notice of the application and an opportunity for a public hearing in accordance with the provisions of chapter 54, may approve such exemption if the commissioner determines that (1) the agency has shown that the activity or critical activity is in the public interest, will not injure persons or damage property in the area of such activity or critical activity, complies with the provisions of the National Flood Insurance Program, and, in the case of a loan or grant, the recipient of the loan or grant has been informed that increased flood insurance premiums may result from the activity or critical activity, or [(B)] (2) in the case of a

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119 flood control project, such project meets the criteria of [subparagraph 120 (A) of this subdivision subdivision (1) of this subsection and is more 121 cost-effective to the state and municipalities than a project constructed 122 to or above the base flood or base flood for a critical activity. Any 123 activity that is a redevelopment subject to environmental remediation 124 regulations adopted pursuant to section 22a-133k located in an area identified as a regional center, neighborhood conservation area, 125 growth area or rural community center in the State Plan of 126 127 Conservation and Development pursuant to chapter 297 shall be 128 considered to be in the public interest. Following approval for 129 exemption for a flood control project, the commissioner shall provide 130 notice of the hazards of a flood greater than the capacity of the project 131 design to each member of the legislature whose district will be affected by the project and to the following agencies and officials in the area to 132 133 be protected by the project: The planning and zoning commission, the 134 inland wetlands agency, the director of civil defense, the conservation 135 commission, the fire department, the police department, the chief 136 elected official and each member of the legislative body, and the 137 regional planning agency. Notice shall be given to the general public 138 by publication in a newspaper of general circulation in each 139 municipality in the area in which the project is to be located.

Sec. 4. Section 12-63e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(a) Notwithstanding the provisions of this chapter, when determining the value of any property, except residential property, for purpose of the assessment for property taxes, the assessors of a municipality shall not reduce the value of any property due to any polluted or environmentally hazardous condition existing on such property if such condition was caused by the owner of such property or if a successor in title to such owner acquired such property after any notice of the existence of any such condition was filed on the land records in the town where the property is located. For purposes of this section, an owner shall be deemed to have caused the polluted or environmentally hazardous condition if the Department

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Environmental Protection, the United States Environmental Protection Agency or a court of competent jurisdiction has determined that such owner caused such condition or a portion of it.

(b) If any owner of such property or if any successor in title to such owner who acquired such property after any notice of the existence of any such condition was filed on the land records in the town where the property is located (1) enters into an agreement with the department to voluntarily remediate such property, (2) files such agreement on the land records of the town where such property is located, and (3) has developed an approved remedial action plan for the property, the provisions of subsection (a) of this section shall not apply. In such instances, the assessors of a municipality may reduce the value of any property due to any polluted of environmentally hazardous condition existing on such property. The assessors of a municipality may also raise the value of any property after remediation is completed to take into account the removal of such pollution or environmentally hazardous condition.

Sec. 5. (NEW) (Effective July 1, 2007) (a) For purposes of this section, (1) "eligible property owner" means a person who is an existing property owner who is in good general standing with the Department of Environmental Protection, demonstrates an inability to pay, and cannot retain or expand jobs due to the expense associated with the investigation and remediation of contamination of a property; (2) "eligible developer" means a person who did not cause or contribute to the discharge, spillage, uncontrolled loss, seepage or filtration of such hazardous substance, material or waste and who is not a member, officer, manager, director, shareholder, subsidiary, successor of, related to, or affiliated with, directly or indirectly, the person who is otherwise liable under section 22a-432, 22a-433, 22a-451 or 22a-452 of the general statutes; (3) "brownfield remediation agreement" means an agreement entered into by and between the Commissioner of Environmental Protection and an eligible property owner or developer for the investigation and remediation of a brownfield site; (4) "brownfield site" means any abandoned or underutilized site where

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redevelopment and reuse has not occurred due to the presence or pollution on the soil or groundwater that requires remediation prior to or in conjunction with the restoration, redevelopment and reuse of the property; (5) "Commissioner" means the Commissioner of Environmental Protection; and (6) "person" shall have the same meaning as in section 22-2 of the general statutes.

- (b) On or before January 1, 2008, the commissioner shall prepare a brownfield remediation agreement that shall be available to any eligible developer who voluntarily elects to investigate and remediate a property for purposes of development, redevelopment or reuse. The brownfield remediation agreement shall (1) set forth deadlines for completion of the site investigation, remedial activities and the submittal of a verification by a licensed environmental professional or approval by the commissioner of the completion of the remedial activities; (2) provide for a covenant not to sue under subsection (b) of section 22a-133aa of the general statutes without fee; (3) exempt the eligible developer from remediation of contamination that has migrated off-site as of the date the eligible developer acquired its ownership interest in the property; (4) exempt the eligible developer from natural resources damage claims that may arise under state or common law; and (5) protect the eligible developer from remediation orders provided the eligible developer is following the remedial action plan and has not provided intentional, fraudulent or negligent misrepresentations to the commissioner.
- (c) At the request of the eligible developer, the commissioner shall execute the agreement with the eligible developer prior to the eligible developer initiating any investigation or remediation activities on the brownfield property. The brownfield remediation agreement shall be assignable to any subsequent eligible developer, provided that the subsequent eligible developer agrees in writing to its terms. In such event, the prior eligible developer is released from its investigation and remedial obligations under the brownfield remediation agreement but remains subject to the protections provided in subsection (b) of this section. Once a brownfield site is subject to a brownfield remediation

agreement, the provisions of section 22a-134 to 22a-134ee, inclusive, of the general statutes do not apply, unless the eligible developer creates an establishment on the brownfield site and a new release has occurred.

(d) On or before January 1, 2008, the commissioner shall prepare a brownfield remediation agreement that shall be available to any eligible owner who voluntarily elects to investigate and remediate a property for purposes of development, redevelopment or reuse. The brownfield remediation agreement shall (1) set forth deadlines for completion of the site investigation, remedial activities, and the submittal of a verification by a licensed environmental professional or approval by the commissioner of the completion of the remedial activities; (2) provide for a covenant not to sue under subsection (b) of section 22a-133aa of the general statutes without fee; and (3) protect the eligible owner from remediation orders provided said eligible owner is following the remedial action plan and has not provided intentional, fraudulent or negligent misrepresentations to the commissioner. To qualify for the brownfield remediation agreement pursuant to this subsection, the eligible owner shall demonstrate a limited ability to pay the necessary costs of remediation and agree to remain in Connecticut for no less than ten years.

Sec. 6. (NEW) (Effective July 1, 2007) On or before June 1, 2009, the Commissioner of Environmental Protection shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes, identifying locations that were subject to urban fill and areas in the state where filling historically occurred. Such regulations shall also set forth remediation standards consistent with the urban or filling history of the property and adjacent properties.

This act shall take effect as follows and shall amend the following sections:				
Section 1	July 1, 2007	22a-134a(e)		
Sec. 2	July 1, 2007	22a-133v(g)		
Sec. 3	July 1, 2007	25-68d(d)		

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Sec. 4	July 1, 2007	12-63e
Sec. 5	July 1, 2007	New section
Sec. 6	July 1, 2007	New section

CE Joint Favorable Subst.